

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2055 - SB 1988

February 8, 2016

SUMMARY OF BILL: Requires privileges or franchise terms, conditionals, obligations, and rights for the provision of natural gas service approved by the Tennessee Regulatory Authority (TRA) for the provision of natural gas by a public utility to remain in effect until a subsequent utility district privilege or franchise is approved by the TRA.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to the provisions of Tenn. Code Ann. §§ 6-2-201(12) and 6-19-101(12), a public utility privilege or franchise is granted by the TRA for a period of 25 years or less.
- Public utilities currently renew their franchises through the TRA for additional periods of time, in increments of 25 years or less, into perpetuity.
- Any fiscal impact to local government resulting from the extension of the length of time a utility district privilege or franchise is authorized by the TRA to provide natural gas service is estimated to be not significant.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- No change in the number of natural gas public utilities.
- Extending the terms, conditionals, obligations, and rights for a privilege or franchise for the provision of natural gas service beyond 25 years will not significantly impact commerce or jobs in Tennessee.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj